



National Fullerton
Asset Management Limited

NAFA Multi Asset Fund (NMF)

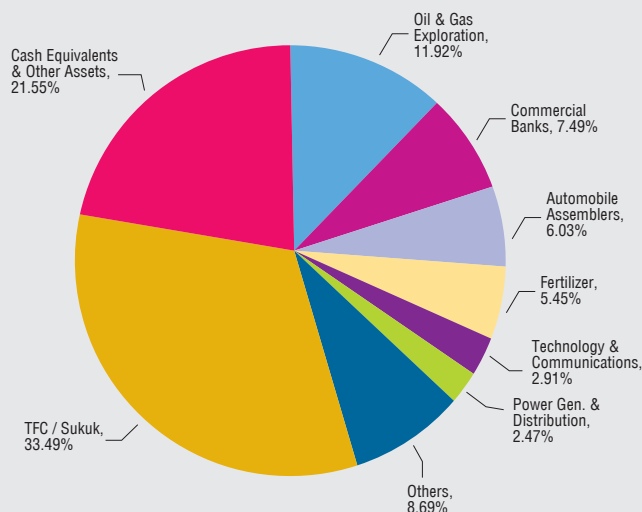
Unit Price (31/10/2009): Rs. 9.4797

October 2009

Investment Objective	Performance					
To provide investors with a combination of capital growth and income. NMF aims to achieve attractive returns at moderate levels of risk by investing in a variety of asset classes such as stocks, bonds, money market instruments, CFS etc.	Performance (%)*	Jan - Dec 2007	Jan - Dec 2008	Jul - Sep 2008 - 09	Oct 2009	Since Launch January 22, 2007
	NAFA Multi Asset Fund	44.06%	(39.82)%	14.45%	(2.41)%	17.24%
	Benchmark (50% KSE-30 Index & 50% 1-month KIBOR)	17.50%	(38.22)%	17.15%	(1.24)%	2.91%
*Returns are net of management fee & all other expenses						

General Information	Fund Manager's Commentary
<p>Launch Date: January 22, 2007</p> <p>Fund Size: Rs. 1,406 million</p> <p>Type: Open-end – Balance Fund</p> <p>Dealing: Daily - Monday to Friday</p> <p>Settlement: 2-3 business days</p> <p>Load: Front end – 3%, Back end - 0%</p> <p>Management Fee: 2.5% per annum</p>	<p>During the month under review, NAFA Multi Asset Fund's (NMF) Net Asset Value (NAV) decreased by 2.41% while the benchmark (50% KSE-30 index & 50% 1-month KIBOR) decreased by 1.24%. Thus, your Fund under-performed the benchmark by 1.17% during the month. Since inception on January 22, 2007 your Fund has increased by 17.24%, while the benchmark has increased by 2.91%. Thus, to date the out-performance of your Fund stands at 14.33%.</p> <p>In the beginning of the month, we were overweight in equity and under weight in the fixed income asset class. However, witnessing the deteriorating law and order situation and uncertainty over the foreign inflows, we decreased our allocation in Equity below the market weight.</p> <p>The month started on a positive note and KSE-30 Index increased by around 3.5% during the 1st week. However, deteriorating law and order situation post launch of military operations in Waziristan and high profile terrorist attacks dented investors' sentiments. Moreover, foreign portfolio inflows decreased significantly compared with the previous couple of months. As a result, the KSE-30 Index declined by around 3.7% during the month. Trading activity also subdued during the month with average daily traded value decreasing to PKR 10.8 billion from PKR 13.4 billion during the previous month. The results season drove stock specific activity. Fertilizer, auto, insurance and banking sectors performed better. While, refinery, cement and power sectors underperformed the market.</p> <p>As a result of tight liquidity conditions, we have witnessed upward shift in the yield curve during the outgoing month. Similarly, 6-month KIBOR increased by around 19 basis points and closed the month at 12.84%. Despite heavy government borrowing and positive Net Domestic Assets (NDA), Broad Money (M-2) growth during the current fiscal year remained flat mainly due to negative growth in the private sector borrowing. We are expecting the improvement in the liquidity situation with actual disbursement of funds from Friends of Pakistan/US and Bilateral and multilateral agencies.</p> <p>Going forward, key triggers for the performance of the stock market are improvement in security situation, liquidity conditions, foreign inflows and level of interest rates.</p>
<p>Listing: Lahore Stock Exchange</p> <p>Trustee: Central Depository Company (CDC)</p> <p>Auditors: A. F. Ferguson & Co. Chartered Accountants</p> <p>Benchmark: 50% KSE-30 Index & 50% 1-month KIBOR</p> <p>Fund Manager: Sajjad Anwar, CFA</p> <p>Minimum Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-</p>	

Asset Allocation (as on 31st October 2009)



Disclaimer: The price of units may go down as well as up. Please refer to the respective offering document(s).